
SENATE BILL No. 498

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-21-6.

Synopsis: Earned income tax credit. Increases the amount of the Indiana earned income tax credit from 9% to 13% of the federal earned income tax credit.

Effective: January 1, 2010.

Skinner

January 15, 2009, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 498

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-3.1-21-6, AS AMENDED BY P.L.131-2008,
2 SECTION 17, AND AS AMENDED BY P.L.146-2008, SECTION
3 325, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2010]: Sec. 6. (a) *Except as provided by*
5 *subsection (b)*, an individual who is eligible for an earned income tax
6 credit under Section 32 of the Internal Revenue Code is eligible for a
7 credit under this chapter equal to ~~six percent (6%)~~ *nine percent (9%)*
8 **thirteen percent (13%)** of the amount of the federal earned income
9 tax credit that the individual:
10 (1) is eligible to receive in the taxable year; and
11 (2) claimed for the taxable year;
12 under Section 32 of the Internal Revenue Code.
13 (b) *In the case of a nonresident taxpayer or a resident taxpayer*
14 *residing in Indiana for a period of less than the taxpayer's entire*
15 *taxable year, the amount of the credit is equal to the product of:*
16 (1) *the amount determined under subsection (a); multiplied by*
17 (2) *the quotient of the taxpayer's income taxable in Indiana*



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divided by the taxpayer's total income.

~~(b)~~ (c) If the credit amount exceeds the taxpayer's adjusted gross income tax liability for the taxable year, the excess, less any advance payments of the credit made by the taxpayer's employer under IC 6-3-4-8 that reduce the excess, shall be refunded to the taxpayer.

SECTION 2. [EFFECTIVE JANUARY 1, 2010] **IC 6-3.1-21-6, as amended by this act, applies only to taxable years beginning after December 31, 2009.**

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